

VZCZCXRO4414
OO RUEHDE RUEHDIR
DE RUEHRH #0056 0101530
ZNY CCCCC ZZH
O 101530Z JAN 07
FM AMEMBASSY RIYADH
TO RHMCSUU/FBI WASHINGTON DC IMMEDIATE
RUEATRS/DEPT OF TREASURY WASHDC IMMEDIATE
RUEHC/SECSTATE WASHDC IMMEDIATE 3977
INFO RUEHZM/GULF COOPERATION COUNCIL COLLECTIVE PRIORITY
RHEHNSC/NSC WASHDC PRIORITY
RUEAIIA/CIA WASHDC PRIORITY
RUEHJI/AMCONSUL JEDDAH 8157

C O N F I D E N T I A L RIYADH 000056

SIPDIS

SIPDIS

PLEASE PASS TO FBI JOAN BUCKLEY AND FINCEN AHMED ELBASHARI

E.O. 12958: DECL: 01/10/2017

TAGS: [EFIN](#) [PTER](#) [KTFN](#) [ETTC](#) [SA](#)

SUBJECT: USG'S SUCCESSFUL TRAINING FOR SAUDI ARABIA'S
FINANCIAL INTELLIGENCE UNIT

REF: A. RIYADH 8987

[1](#)B. TREASURY 212014Z

Classified By: DEPUTY CHIEF OF MISSION MICHAEL GFOELLER FOR REASONS 1.4
(B) AND (D).

[1](#)1. (U) Summary. On December 20, 2006, EconOff and FBI representative to the Terrorist Financing Operations Section (TFOS), offered a one-day seminar to the Saudi Arabian Financial Intelligence Unit (SAFIU) geared towards basic analytical and investigative techniques for terrorism finance and money laundering investigations. Due to the high number of Saudi participants, Post will offer an additional training seminar in February geared towards specific real life financial crimes cases. End Summary.

[1](#)2. (C) In mid-December, LEGAT and TFOS Representative proposed to the SAFIU's General Supervisor, Colonel Fah'd Al-Maglooth, and Deputy Director, Khalid Luhaidan, a joint initiative with the SAFIU to embed TFOS representative into the SAFIU for hands on training. Due to the limited success of the Joint Terrorist Finance Task Force (JTFTF) LEGAT thought this would be the most beneficial next step forward. The purpose of embedding TFOS representative is to work on cases of mutual interest and to assist the SAFIU in developing methods and processes for its investigations. The FBI will deliver a proposal to the SAFIU within the next few weeks.

[1](#)3. (U) On December 20, TFOS representative and EconOff presented a one-day seminar on basic analytical concepts and methods to the SAFIU. Approximately 35 SAFIU personnel attended the session and actively participated in discussions. There was a great deal of confusion between the roles of the FBI's TFOS and FINCEN. The SAFIU was under the impression that FINCEN conducted law enforcement type investigations related to financial crimes. Also, the SAFIU did not understand the concept of analysis and its broad/narrow implications. TFOS representative and EconOff explained to the SAFIU the roles of law enforcement entities and FINCEN regarding financial crimes. Also, TFOS representative and EconOff explained and provided examples of analysis and the types of analysis that can be done related to financial crimes.

[1](#)4. (C) Currently, the SAFIU is investigating investment groups and investment mechanisms for terrorism finance. In the future, the SAFIU will concentrate on financial transactions stemming from travel agencies in the Kingdom. Mr. Luhaidan indicated the difficulty they are having with terrorism finance cases and prosecuting such crimes.

15. (C) Comment. The SAFIU is only a year old, with very little organization and methodology in place to combat financial crimes. After spending an afternoon with the SAFIU it was obvious that it needs law enforcement/investigative training regarding financial crimes in order to acquire the day-to-day concepts that help solve financial crimes. The SAFIU operates as a hybrid of FINCEN and law enforcement agencies (i.e. The FBI). A small percentage of what the SAFIU does is collect Suspicious Transaction Reports (STRs). Rather, the SAFIU spends a lot of its time gathering and analyzing specific information related to financial crimes and the suspects of these crimes (i.e., criminal history, suspects background, financial records).

16. (C) Comment Continued. In early December 2006, the SAFIU established a Consultancy Division independent from the other operations of the SAFIU. The Consultancy Division's Director, Dr. Hamza al-Salem, had previously been responsible for all the training and getting the SAFIU on par with other functional FIUs. The Consultancy Division has now been dismantled. The SAFIU seems to be in the midst of a personnel re-organization and a re-defining its operations and goals. End Comment.
OBERWETTER